

SUMMARY ANALYSIS OF AMENDED BILL

Author: Berryhill & Evans Analyst: Victoria Favorito Bill Number: AB 454
 Related Bills: See Prior Analysis Telephone: 845-3825 Amended Date: January 7, 2008
 Attorney: Pat Kusiak Sponsor: _____

SUBJECT: Charitable Contribution Deduction/Qualified Conservation Contributions/Conformity

- ☒ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of the bill as amended March 29, 2007.
- ☒ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- AMENDMENTS DID NOT RESOLVE THE DEPARTMENTS CONCERNS stated in the previous analysis of bill as introduced/amended _____.
- ☒ FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO _____.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED
- ☒ March 29, 2007, STILL APPLIES.
- OTHER – See comments below.

SUMMARY

This bill seeks to allow individuals and corporations a deduction for making a charitable contribution of a qualified conservation easement; however, the language contains a date defect so that the bill would have no impact.

SUMMARY OF AMENDMENTS

The bill as amended January 7, 2008, revised the effective/operative date from January 1, 2007, to January 1, 2008.

As a result of the amendments, a revision of "THIS BILL" section has been made.

EFFECTIVE/OPERATIVE DATE

As a tax levy, this bill would go into effect immediately and apply to contributions, as specified, made on or after January 1, 2008.

Board Position:

_____ S _____ NA _____ NP
 _____ SA _____ O _____ NAR
 _____ N _____ OUA _____ X PENDING

Legislative Director

Date

Brian Putler

1/10/08

POSITION

Pending.

ANALYSIS

THIS BILL

This bill would expressly conform to a federal deduction; however, that federal law expired on December 31, 2007.

ECONOMIC IMPACT

Revenue Estimate

Based on data and assumptions discussed below, this bill would have no revenue impact.

Estimated Revenue Impact of AB 454 Effective for Tax Years BOA 1/1/2008 Assumed Enactment Date after 6/30/2008 (\$ in Millions)		
2008/09	2009/10	2010/11
\$0	\$0	\$0

This analysis does not consider the possible changes in employment, personal income, or gross state product that could result from this bill.

Revenue Discussion

The revenue impact of this bill would be determined by the additional amount of qualified conservation contributions that result in reduction of personal and corporate income or franchise tax. The bill as amended January 7, 2008, would not impact tax revenue because no additional amounts would qualify to reduce personal and corporate income or franchise tax. Current federal law offers no deduction for contributions made after December 31, 2007.

LEGISLATIVE STAFF CONTACT

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